

**Testimony of Kathryn Hickok  
Executive Vice President, Cascade Policy Institute  
Before the Senate Education Committee  
Regarding SB 668**

**June 5, 2019**

Chair Wagner and Members of the Committee, my name is Kathryn Hickok. I'm Executive Vice President at Cascade Policy Institute, a nonpartisan policy research organization.

Education Savings Accounts empower parents to customize their children's education in the ways that are best for them as individual students. ESAs are a "ticket to the future"—today—for every child to find the right fit, to find his or her spark for learning, and to succeed in school and in life. More choices mean more opportunities.

ESAs are government-authorized savings accounts with restricted but multiple uses. ESA programs deposit a percentage of the per-student state education funding allocation into an account, from which the family pays for approved education expenses.

Unused funds may be "rolled over" for subsequent years, including post-secondary education or training within the state of Oregon.

Arizona, Florida, Mississippi, North Carolina, and Tennessee are operating ESA programs today. Senate Bill 668 would create an Education Savings Account program here in Oregon.

Unlike voucher programs, ESAs give parents the flexibility to spend education funds on more than just private school tuition. Depending on the specifics of legislation, other approved uses can include textbooks, AP and online classes, tutoring, testing, dual-enrollment courses, homeschool expenses, and education-related fees.

Some ESA programs operate like controlled-use debit cards, which ensure parents pay only for legitimate education expenses.

Critics sometimes express concern that ESAs would remove funding from the public school system; that parents wouldn't be held accountable; that non-public schools are not held to the same regulatory standards as public schools; or that ESAs mean "public dollars would be used for private purposes."

Proponents of ESA programs take these concerns seriously. Senate Bill 668 was designed to address them.



Account funding levels in this bill were designed so the amount of support provided to participants would be less than what the state would have spent for the student to attend a public school, with the state recouping the difference. In this way, ESAs can be revenue neutral or even provide a net fiscal benefit to state and local government budgets.

The state controls approved uses of ESA funds. Just as SNAP benefits can be used only for food purchases, ESA funds can be used only for legitimate educational services. ESA programs operating in other states can provide experienced models of accountability and oversight.

Polls of parents participating in ESA and other school choice programs indicate that they choose schools based on various metrics, including academic quality, school safety, class size, teaching methods, access to more individual attention, and other factors. Because ESAs are not a “use it or lose it” benefit within a given school year, parents have incentives to use ESA funds with education providers with whose quality they are satisfied.

Because parents direct the spending of ESA funds, not the state, ESA programs have stood up to constitutional challenges. State government would not pick “winners and losers” in the non-public education sector, nor would it direct taxpayer funds to specific private institutions. ESAs serve the same end as the public school system: educating the public.

Cascade Policy Institute examined the constitutionality of a potential Oregon ESA program to probe the likelihood that it would pass muster according to the Oregon Constitution. The national public interest law firm Institute for Justice undertook a comprehensive legal and constitutional analysis of an ESA bill introduced during the 2017 Oregon Legislative Session. The analysis is available on OLIS.

The authors concluded: “[I]t is highly unlikely that the Oregon courts would invalidate the ESA program that SB 437 would enact if that program were challenged. The program is constitutional under both the federal and state constitutions.”

ESAs empower parents to choose what’s best for their individual student, without detriment to Oregon public schools. Children in 29 states and the District of Columbia benefit from 62 school choice programs today. Oregon students, regardless of ZIP Codes or income levels, deserve the opportunity for an education that fits their unique needs and goals.